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Washington Merry-Go-Round

By JACK ANDERSON

WASHINGTON — Any hope International Telephone and Telegraph (ITT) may have of ousting Chile's President Salvador Allende, in the view of American Ambassador Nathaniel Davis, is unrealistic.

In a secret cable to the State Department, Davis reported that "prospects of military intervention for the foreseeable future are extremely small.

"It is held that military will turn blind eye to virtually any constitutional abuse, and Allende is smart enough to avoid abuse so flagrant as to force open that blind eye."

ITT hoped for military intervention in 1970 to block Allende's election. We have published confidential memos, which reveal the giant conglomerate was prepared to spend millions promoting economic collapse in Chile to force a military coup.

The memos show that the Central Intelligence Agency (CIA) cooperated with ITT in planning this economic sabotage but that other American corporations such as General Motors and Ford would take no part in the scheme. The memos also blame the State Department for failing to take a tougher stand against Allende.

Inside sources say that ITT, in order to protect its investments in Chile from Allende's Marxist policies, has continued to explore the prospects of removing Allende from power.

Ambassador Davis, however, sees little likelihood of this. Before we published the incriminating ITT memos, he summarized the situation in Chile for the State Department.

He reported "growing conviction in opposition parties, private sector and others that opposition is possible." He cited intelligence reports that "discontent and plotting in the military services have been substantially greater."

But, he concluded: "It is not our impression that Chile is yet on brink of showdown. In fact, there is some reason to believe that new opposition spirit could prove transitory. . . .

"My colleagues continue to warn me that events move slowly in Chile, or perhaps better said, Chileans have great ability to rush to the brink, embrace each other and back off.

"With Russian and East European help . . . and with some breaks, Chile just might be able to rock along for some time to come."

In his secret summary, however, the new American Ambassador suggested that "Allende's course is working less well. If this trend continues, it will increase pressures on Allende to move toward radical solutions or in other directions.

"Allende's decisions may, in turn, sharpen the choices of his opposition and also of the military." Davis pointed out that "there is considerable variety in ways military might intervene."

Before ITT is likely to get its military coup, however, Davis suggested that public opposition to Allende would have to become "so overwhelming, and discontent so great, that military intervention is overwhelmingly invited. . .

"It is held that military will wait for this public repudiation to become more clear and more open than it is likely ever to be."

With annual sales around $7.5 billion (b) and holdings in 67 countries, ITT is a veritable corporate nation. It has built an empire, like Britain's, upon which the sun never sets.

ITT directs its own intelligence operations, security system and foreign service. It deals with foreign governments at the highest levels — often through former political leaders, cabinet ministers and intelligence officers.

Among the world leaders who have turned up in ITT's corporate hierarchy are Paul Henri Spaak, former Belgian prime minister; Trygve Lie, the late UN Secretary-General; and John McCone, the former chief of our own Central Intelligence Agency.

Twice a month, ITT's managers gather alternately in New York City and Brussels to plan high strategy. Five of the top managers draw higher pay than President Nixon's $200,000-a-year salary. And ITT's panjandrum, Harold Geneen, collects the highest salary in the world, $766,755 a year.

These corporate rulers, working through McCone's inside contacts were able to enlist the CIA in an abortive plot to block Allende's election and, thus, interfere in Chile's free election process. This illustrates the incestuous relationship that has grown up between ITT and the Nixon Administration.

UNDERSEAS BOOBY TRAP — The Navy has awarded a $26 million study contract to develop a secret, delayed-action torpedo to be called the "Captor." It could be fired silently into an enemy harbor where it would remain a threat for weeks.